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Follow-up to the World Summit for Social Development and the twenty-fourth special session of the General Assembly: Priority Theme: Addressing inequalities and challenges to social inclusion through fiscal, wage and social protection policies

Statement submitted by European Youth Forum, a non-governmental organization in consultative status with the Economic and Social Council*

The Secretary-General has received the following statement, which is being circulated in accordance with paragraphs 36 and 37 of Economic and Social Council resolution 1996/31.

* The present statement is issued without formal editing.

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Statement

In the European context, inequality across generations has shown a marked increase and, according to research published by the International Monetary Fund (IMF) in 2018, it is young people who are suffering the most. The 2008 economic crisis and subsequent austerity policies have had significant impact on youth. In recent years, young people have become the population group at most risk of poverty and social exclusion in the European Union.

Many young people in Europe are denied access to their economic and social rights, facing discrimination in securing quality jobs or accessing fair, just and adequate social security systems. To address inequalities and challenges to social inclusion, policies must work towards an economy and a society that support young people, and the rights violations that young people face must be addressed.

The European Youth Forum, a platform of 104 youth organizations in Europe, which represents the interests and promotes the rights of young people in Europe, believes that the following policy interventions are required:

Ensure fiscal policies support social inclusion

Austerity measures over the past decade have had a significant impact on young people in Europe, with spending on employment, education, health, and social protection decreasing as a result of these measures. Cuts to public spending on education have negatively affected young people's access to quality education, with significant consequences for young people from vulnerable and marginalized groups. According to the International Labour Organization (ILO), in the direct aftermath of the economic crisis, countries that experienced strongest fiscal tightening also experienced the highest increases in youth unemployment. Responses to the crisis led to a decline in employment protection, including cuts in minimum wages and unemployment benefits, particularly for young people. Fiscal consolidation programmes since the crisis have therefore had a direct and disproportionate impact on Europe's youth, affecting their inclusion in society.

Social policies must be viewed as an investment in a more equal and inclusive society. Policy makers must therefore ensure that fiscal policies prioritise social investment, putting an end to austerity measures and their negative consequences for youth.

Abolish youth minimum wage policies

Several European States have youth minimum wage policies in place. These are often well below the national minimum wage standard. These differing minimum wage policies perpetuate age-based discrimination and conflict with the right to equal remuneration for work of equal value. This perpetuates a cycle of income poverty and inequality and the intergenerational gap between young people and other groups of working age. According to Eurostat data, in 2016, young people aged 16–24 faced an in-work at-risk-of-poverty rate of 12.2%. This rate was 9.7% for employed persons aged 25–64. Lack of or insufficient remuneration also affects young people's social rights. Living independently has become a luxury that many young people simply cannot afford.

Policy makers should end age-based discrimination in wage policies and ensure equal remuneration for equal work. National minimum wage policies that apply to all workers, regardless of age, must be established.

Ban unpaid internships

Young people face high levels of vulnerability and unequal access to the labour market. In the European context, entry-level jobs are diminishing and fewer employers are willing to take on and invest in the development of young workers. As a result, internships and apprenticeships have become necessary pathways to employment. While internships should be able to offer young people learning experiences and support their further employability, too often the positions available are unpaid. Young people are being used as cheap labour, carrying out work that could or should be done by paid employees. This violates their right to fair wages and to just and favourable conditions of work that ensure a decent living. Unpaid internships also serve to deepen inequalities as not all young people can access them equally. The provision of fair and appropriate remuneration is necessary to enhance equal access to the labour market and ensure that all young people, regardless of their socioeconomic background, can take up internship opportunities.

Policy makers should adopt and implement legislation to better regulate internships, according to the principles of the European Youth Forum's European Quality Charter on Internships and Apprenticeships. For internships to be of quality, they must cover the following three aspects: learning content, social and labour rights, and remuneration.

Improve access to social protection

In the European context, young people can face age-based discrimination in accessing social protection. According to a 2015 study by the Organization for Economic Cooperation and Development (OECD), in certain European countries young people cannot receive income support before the age of 24 or 25. Additionally, due to their contributory nature, unemployment benefits tend to be inaccessible for young people looking for their first job or who have only completed short-term contracts. Given that young people are in a more vulnerable position in the labour market and face difficulties in accessing quality, stable and long-term employment, this leaves them unable to access their right to social security. In addition, as also recognised by the United Nations Department of Economic and Social Affairs Report on the World Social Situation 2018, difficulties in accessing this type of employment leave young people unable or less able to participate in contributory statutory pension systems, leaving the current generation of young people at risk of poverty later in life.

Young people are increasingly and disproportionately caught up in precarious and non-standard forms of employment, such as zero-hour contracts, undeclared work, temporary work and work in the platform economy. According to Eurostat data, in 2016, 43.8% of employees aged 15–24 in the European Union had temporary contracts, as compared with 12.1% of the rest of the working-age population. New and non-standard forms of employment do not always provide the necessary accumulation of work hours or income required by the state to allow access to social security. This contributes to increasing the risk of poverty and social exclusion for young people.

Policy makers must reform social protection policies to end age-based discrimination and ensure adequate coverage for all in the context of the changing realities of the labour market and the changing nature of work. Addressing existing gaps and discrimination in access to social protection is all the more important in light of the further challenges that the future of work will bring in this regard.

Conclusion

Failure to address inequalities and social exclusion harms economic outcomes and is detrimental to social harmony and well-being. Conversely, building a society that works for young people creates a stronger foundation for all. Fiscal, wage and social protection policies must be inclusive of youth and respond to their realities. For this to happen, the discrimination and barriers that young people face in accessing their economic and social rights must be urgently addressed.